## WASHINGTON.

An Active Movement in Financial Questions.

SURPRISES IN THE TWO PARTIES.

Mr. Bayard Moves the Repeal of the Legal Tender Clause.

BAD OUTLOOK FOR SHERMAN'S PLAN.

Opposition to Retirement of Greenbacks-The Silver Question.

An Executive Weakening which Causes Surprise.

FROM OUR SPECIAL CORRESPONDENT.

THE LEGAL TENDER CLAUSE-MR. BAYARD'S JOINT RESOLUTION FOR ITS BEPEAL VIEWS OF THE DELAWARE SENATOR-PROSPECTS OF THE MEASURE IN THE SENATE.

The session opens at once. Those who thought it would lack interest or importance are mistaken. Senator Bayard to-day took the currency buil by the horns. He introduced a joint resoluon for the repeal of the legal tender clause in these

Besolved, &c., That from and, after the passage of this resolution the Treasury notes of the United States shall be receivable for all dues to the United States, excepting duties on imports, and shall not be otherwise a legal tender, and any of said notes here-after reissued shall bear this superscription.

The resolution was referred, with his consent, to and it will be considered by that committee probably next Tuesday. Mr. Bayard is in earnest. He feels the urgent necessity of passing this measure as a means of safety to the country, and he will not let it slumber in committee. It will be raported to the Senate before the holidays and it romises to have the support of almost all the democratic Senators and of a large number of the Repub-

It is a curious commentary upon the republican ofessions of devotion to a sound currency that enator Ingalis followed Mr. Bayard by introducing a joint resolution declaring that the legal tender quality of the greenbacks ought not to be inter-fered with. The following is the text of the reso-

Resolved, &c., That in the opinion of the Senate, the present volume of United States notes should not be reduced, and that said notes ought to continue to be a legal tender in the payment of debts.

This is the third to the same effect from the republican side since Congress came together, Messrs, Price, of Iowa, and Fort, of Illinois, having offered similar resolutions in the House yesterday.

MR. BAYARD ON HIS RESOLUTION. Mr. Bayard said to-day, in conversation with your

correspondent, concerning his resolution: —
"I think it is a necessary step at this time. It is
just the right time to set the first apprehensions of the country at rest on so vital a point. The present is an hour of hope, confidence and public health. The credit of the government, borne up on a sea of public confidence, unaided by any exertion of con pulsory power, a suggestion of stress or necessity, promissory demand notes easily at par. We run no risk in doing right at this time. But, independent of the constitution and its limitations, this step will make assurance doubly sure and clinch resumption of specie payments as a fixed fact. The repeal of the legal tender quality of the government notes will dismiss and dispel the vague haunting fears of a possible recurrence of the fluctuations, uncertainties and miseries of depreciated paper currency. There will be no fur is passed, no one can thereafter be compelled to accept a currency depreciated by reason of its redun-

In continuing his remarks Mr. Bayard said :-"So far from checking our current of hopeful and confident prosperity this measure will stimulate and encourage it, because the only unsound plank thereafter to have a solid basis.

NOT FORCIBLE CONTRACTION. "To repeal the legal tender quality of the green backs is no measure of forcible contraction. It does not interfere with the question of Treasury notes or bank notes, or the volume of eithe nor with the banking system, but it gives the old fashioned democratic bed rock of security to every enterprise, and insures safety to every con tract, however long maturing, which has money for its measure. In other words, this is a measure o stability, of honesty and good government in the simplest and strongest sense of the word. Every industrious and frugal depositor in a savings ban will feel his little hoard more secure and capital will more confidently venture to extend itself in new enterprises and in loans at low rates of interest the principal will no longer be felt in this measure worth a score of resumption acts, be

SOME OF THE GOOD EFFECTS. render the present loose and highly flangerous discretion of the Secretary of the Treasury in the issue and sale of government bonds entirely unnecessary, and allow us to put a stop to it. The Supreme Court will no longer be burdened with the responsibility of declaring the action of Congress unconstitutional and a calmer and cooler condition of the public mind will be created. I hold it to be a simple and complete solution of our most

Your correspondent asked Mr. Bayard:-"How do you think your resolution will be received by your party?" He replied :-

I do not believe that any democrat can object to a measure so thoroughly consistent with every demo-cratic profession, and if I sought for texts of strongsate expression and most conclusive argument to sustain the principle of the resolution I should look for them in the speeches and arguments of every democratic leader, without exception, who repre-sented his party at the time when recourse was had to irrodeemable legal tender paper money in 1861.

In conclusion Mr. Bayard said :- "If this resolu lion is passed I believe the people of this country san sleep more soundly and safely and wake up an and their property not lessened in value."

PROSPECTS FOR THE RESOLUTION.

The prospect is that Mr. Bayard's resolution will have the support of every democrat with perhaps one exception on the Finance Committee and of sev eral republicans. The committee consists of Sena tors Bayard, Kernan, Wallace, Voorhees and Beck, democrats, and Morrill, Ferry, Jones Allison, republicans, Of the republicans it is supposed that Mesers. Jones, of Nevada, and Ferry may oppose the resolution. Messrs, Morrill and Allison are thought safe for its support. There has, however, been no polling of the committee and it is not impossible that the republicans may determine in caucus to support the measure bodily. with possibly some amendments. At present they feel themselves embarrassed because a considerable number of their Representatives and Senators, Western men, are strongly opposed to any action whatever on the currency. They say the President and Secretary Sherman have "put the party right on the record," that nothing ought to be done at this session of Congress. The resolutions of Messrs. Ingalis, Fort and Price all point in this direction. As to the democrats Senstor Bayard is right in saying that all their leading men are on record in opposition to

Messrs. Thurman, Pendleton, Voorhees and others. After Mr. Bayard had introduced his resolution this afternoon several Southern Senators, in conversation, declared it right, and that they would support it, among them Senator Gartand, of Arkansas, one of the most influential o the Southwestern men. Hampton and Butler, of South Carolina, are counted for it. General Gordon, it is believed, will support it strongly, and it will undoubtedly have the support of Senator Lamar, who is detained at home by the severe illness of his

THE WARNER SILVER BILL. of Mr. Bayard's resolution in the committee as un-finished business from the last session, but the ardor of the unlimited silver men has cooled off a good deal during the fall. It is not probable that the bill will be pushed by any men of influence as it was at the extra session, when Speaker Randall was one of the most pertinacious of those who pressed the committee for a favorable re-port. Mr. Randall is less zealous for it now and so are many others, and it is not improbable that the of their chairman (Mr. Bayard) at once and before any other business. Sound money republicans, such as Mr. Chittenden and Mr. Morton, are greatly delighted at the action of Mr. Bayard, and Mr. Chittenden said to-night that it was the most statesmanlike act of the day, and that if the Southern men would range themselves along side of Mr. Bayard or help him to repeal the Legal Tender act they would strike a fatal blow at the sections divisions in politics, from which they suffer the

RECOMMENDATIONS THE PRESIDENT AND SECRE-

TARY DO NOT WANT CARRIED OUT. A good deal of surprise has been created this after noon by reports of conversations held by the President and Secretary Sherman with two republican Congressmen on the currency question, in which both President and Secretary are reported to have said that they are not anxious to see Congress act in said that they are not antious to see Congress see in accordance with their recommendations concerning the withdrawal of the greenbacks or the repeal of the legal tender clause. The President's conversation was with Mr. Fost, of Illinois, the author of the resolution introduced yesterday, declaring it in specient to withdraw the greenbacks author of the resolution introduced yesterday, declaring it in spedient to withdraw the greenbacks or repeal the legal tender clause, and friends with whom Mr. For has spoken as that he left the White House much pleased with the President's conversation, and that the President assured him that he did not desire any action at the case on to carry into effect the recommendations age in relation to the currency. He regard what he had said only the sying down of a sound principle for the future. Secretary Sherman is reported to have said substantially the same thing to Mr. Crapo, of

Mr. Fort said this evening to a HERALD reporter that when he read the President's Message and thought over the suggestions in regard to making provision for the retirement of legal tenders he recalled the fact that over a year ago Congress passed a bill which the President signed, limiting the further contraction of the legal tender issue. Mr. Fort says he thought that if omething was not done promptly the country would believe that the republican party acquiesced in the suggestion made in the Message, and to coun-teract any such impression he drew the resolution offered in the House yesterday, in which he purposely swoided including the question of the nage of silver. To-day Mr. Fort called at the Executive Mansion, and the President took occasion to say that his object in introducing the subject of the currency into his Message was not to suggest immediate legislation, but to call attention to be met. Mr. Fort replied that he had no idea of antagonizing the administration, but that he wanted to have it understood that the part of the republican party to which he belonged did not agree to the sug-gostion or recommendation of the Message in rela-tion to the withdrawal of the greenbacks or the repeal of the legal tender clause. THE SILVER QUESTION.

As to silver the general impression on the demo-cratic side to-day is that to continue the coinage of dollarf for argains year on do no serious harm, and that it is not advisable at this session to touch the silver question in any shape. It may be, however, that a resolution to stop the coinage may be introduced from the republican side.

FROM OUR REGULAR CORRESPONDENT.

WASHINGTON, Dec. 3, 1879. PERNANDO WOOD ON THE FINANCIAL QUES-TIONS-OPPOSITION TO MR. SHERMAN'S RE-ING FUND-NO RETIREMENT OF GREENBACKS. Fernando Wood, chairman of the Ways and Moune Committee, was found at his comfortable residence to-night and questioned regarding the financial situ ation. He responded freely. The talk was about like

this:—"When will your committee meet?"
"To-morrow morning at eleven, and we have some very important matters to discuss. The fact is, and have no hesitation in telling you, that I received a bill from the Secretary of the Treasury to-day that s so much against my feelings, that I went to General Garfield and asked him, as representing the administration, to introduce it."

"You know there are shout seven bundred and ninety millions of the six per cent bonds that will nature in 1880 and 1881. In order to meet those obligations and the demands of investors refunding four per cent bond, and he has some very objec-tionable details in it. I am steadfastly opposed to any bond that will carry with it than three and a half per cent interest. It is all very well for administrative officers to claim the credit of general prosperity and a sound national credit, but no man or set of men in authority made it. Our bonds would be good if there had been only \$10,000 in the Treasury when Secretary Sherman commenced, or had any other intelligent man been

A THREE AND A HALP PER CENT BOND. "So your committee proposes a 3% per cent

"The committee, I know, will not go beyond that, and I am satisfied that neither the House nor Senate will. Congress means, I am sure, to make a 3½ per cent refunding bond, and make it so available that the Secretary can take advantage of favorable circumstances, while at the same time we propose to limit the Secretary's authority in some important re-

"What elasticity of action will you give him?"

NO MORE FOUR PER CENTS. "We propose to prohibit him from selling another four per cent bond under any circumstances. That iberty which he now has we shall imperatively stop. Then we propose that he shall take \$100,000,000 of his coin and hold it awaiting opportunities to buy bonds. His coin lies idle and should be used. We propose also that there shall be no failure in refundng from a lack of opportunity. It is our intention to pass a refunding bill as soon as pos-sible and give the \$100,000,000 of coin to use with the bonds, but no bill can pass that gives

more than a 314 per cent bond." "Is it true, as stated to-day, that Secretary Sherman put up a man of straw in the proposition to retire the greenbacks and set Fort and Ingalls at the busi-

ess of knocking him down?" NO RETIREMENT OF GREENBACKS.

"I do not know, but I should not be surprised at anything. You may say, however, that the Com-mittee of Ways and Means—for I have talked with nost of the members-will never adopt the Secretary's recommendations to retire greenbacks. On the contrary, they seem to favor positive action that will prohibit him from transacting such business. The Supreme Court will soon settle the level UNWORTHY HIGH OFFICIALS.

"What do you think of the President's recomcondation asking definite action with regard to the sinking fund?"

"I regard it as unworthy of such high officials as himelf and the Secretary. The law is so severely worded that it requires the Secretary to pay the sinking fund February 25, 1862, requires him to collect the customs duties in coin and apply the coin first to the payment of interest on the public debt and second

to the sinking fund, but Mr. Chase and every Secre-

"Is it not several years overpaid?" "Yes, and that is why they have neglected it."

"How about suspending it till we catch up?"
"No, that would never do. You see these questions, of refunding bonds for instance, never created excitement. The business is so fast and can be so smoothly accomplished that few people know or try to know about it. But you take the matter of sus-pending the sinking fund and it might injure our redit temporarily, because it would take a long time to explain it. But there is no necessity for doing that anyway."

"There is a bill pending in our committee which proposes to take arbitrarily from the Treasury \$100,000,000 each year. This would be applied to payment of interest on the public debt, whatever ever that might be, would go to the sinking fund. I

favor that bill and it may be passed."
"Will you have much financial legislation this

"I believe the people want as little financial legis lation as possible. I believe they want the green-backs let alone and that they also want a low refunding bond passed. The silver question may be a fruitful source of discussion.

THE FEDERAL ELECTION LAWS-AMENDMENTS

TO BE PROPOSED. A proposition is being discussed among the demo matic members of the House, in regard to the elec tion laws and the questions involved in the extra session, which seems to meet with favor among democrats North and South. The proposition is that the election laws shall be so amended as to pro vide that the general and special deputy marshals of in which their duties are to be performed, and that they shall be appointed only upon the order of a United States Court and upon the written recom-mendation of the candidates for Congress at the election, and an equal number to be appointed from each party; that the marshals shall not make any arrests except upon warrants issued in pursuance of lav posed to attach to the bill making apropriation the pay of United States and their deputies. It has been submitted to the leading men of the party, and it is under was made to recognizing the validity of the Election law by smending it in any form. It appears that that sentiment has disappeared, and the object now is to secure the fairest administration of justice at the poils. It is contended that if arrests are no made except upon warrant of law and the representa-tives of both parties see that only good, responsible men are appointed to perform the duty of protect the purity of the ballot, all that the democra esires to obtain will be gained by the adoption the above provise in the bill making an approp tion for the payment of marshals and their de

POSSESSION OF THE GREAT RESERVATION. The Utes must go from Colorado, at least so says Judge Belford, the Representative from that State, and the sentiment is re-echoed by all the members from the Far West. Speedy action will be demanded upon the bill introduced yesterday to appoint a commission for the removal of the Indians from their reservation, and in order that needed informs tion may be at hand a resolution was offere to-day calling upon the Secretary of the Interior fo all correspondence with Agent Meeker, General Hatch, General Adams and Special Agent Polleck in relation to affairs at the White River Agency since the 1st day of January last. It is predicted that un trouble in and about the reservation next spring because its area is too large and there is too much by the Indians. Judge Belford's bill contemplate the establishment of another reservation in som one of the Territories. The Delegates do not like this and they will oppose that portion of the bill, for ritories will become States, and say they do not wish to have their people embarrassed and harassed by ns than are now within the limits of their respective Territories. The remedy they protory, to enlarge its area if need be, and by positive legislative enactment to guard it for all time against encroschment of the whites

GENERAL WASHINGTON DESPATCHES.

WASHINGTON Dec. 3 1879. MR. SHERMAN'S FUNDING OPERATIONS-BILLS

INTRODUCED IN THE HOUSE. Two bills were introduced in the House to-day, re garding future funding operations of the governnent-one by Mr. Garfield, of Ohio, entitled, "An Act to Facilitate the Refunding of the National Debt," and another by Mr. Wood, of New York, entitled, "An Act Respecting the Refunding of the National Debt." The difference in the titles of the bills indicates the difference in their scope. Mr. Wood's bill merely limits the maximum rate of interest on future interest bearing refunded bonds at three and one-half per cent per annum. Mr. Gar field's bill authorizes the Secretary of the Treasury to begin at once and issue four per cent bonds in ex change for outstanding and uncalled bonds bearing a higher rate of interest than four percent. It is understood that this bill was prepared at the Treasury Department by Secretary Sherman, and contains all the provisions that he deems necessary to enable him to carry on succe-stully the work of refunding the \$800,000,000 of five and six per cent bonds, which fall due in 1881. The following is the full text

fall due in 1881. The following is the full text of Mr. Garfield's bill:—

That all existing provisions of all law authorizing the refunding of the national debt shell apply to any bonds of the United States bearing a higher rate of interest than four per cent which may hereafter become redeemable, and the Secretary of the Treasury is hereby authorized, in the process of refunding the rational debt, to exchange directly at par bonds of the United States bearing interest at four per cent per annum, of the description authorized by the act of July 14, 1870, entitled "An act to authorize the refunding of the national debt,' and acts amendatory thereto. For any bonds of the United States outstanding and uncalled, bearing a higher rate of interest, and in any such exchange interest may be allowed on the bonds so redeemed for a period of three months. And whenever any of the bonds so redeemed bear interest at fivor six per cent per cent per annum the Secretary of the Treasury may allow to the holders, in lieu of the three months' interest provided tor above, the difference between the interest on such bonds from the date of the exchange to the time of their maturity and the interest on the four per cent bends for a like period. Authority to issue such four per cent bonds to the amount necessary to carry out the provisions of this act is hereby granted.

The full text of Mr. Wood's bill is as follows:—

The full text of Mr. Wood's bill is as follows :-The full text of Mr. wood's bill is as follows:—
Be it enacted. That so much of the authority conferred on the Secretary of the Treasury by the acts of July 14, 1870, and sanuary 20, 1871, to retund the public debt to the extent of \$1,500,000,000 as has not been exhausted and executed be and the same is hereby modified so as to limit the rate of interest on bonds yet to be issued as authorized by these acts fo a rate of interest not to exceed three and a half per cent per annum.

PURCHASE OF GOVERNMENT SIXES-CIRCULAR FROM THE TREASURY DEPARTMENT.

The following circular in relation to the purchase of United States bonds for the sinking fund was issued this afternoon :-

of United States bonds for the sinking fund was issued this afternoon:

TREASURY DEPARTMENT.

OFFICE OF THE SECRETARY.

WASHINGTON, D. C., Dec. 2, 1879.)

The Secretary of the Treasury hereby gives notice that proposals for the sale to the government of \$1,000,000 of any of the six percentum interest bearing bonds of the United States, known as the "sixes of 1881," will be received at the office of the Assistant Treasurer of the United States at New York until noon of Saturday, the 6th inst, at which time the bids will be opened and the awards declared; the bonds thus purchased to be applied to the sinking tund, as provided in section 3,684 of the Revised Statutes of the United States. The proposals should state the specific character of the bonds offered, whether registered or coupon, and under what acts they were issued, and they may be for any amount not less than \$5,000. The offers must be for the sale of the bonds, with accrued interest to and including the 6th inst., and each proposal must enclose a certified check for five pur cent of the amount of the bonds offered. The checks of unsuccessful bidders will be returned as soon as the result is ascertained, and those of others on the following business day, when the bonds must be delivered, and the payment in lawful money will be made as soon as they can be duly examined. The right is reserved to reject any or all bids and to waive any defects.

## VIRGINIA'S REVOLUTION.

The Legislature Reorganized by the "Liberals."

GOVERNOR HOLLIDAY ON HONESTY.

Maimed Ex-Confederates Giving Place to Negro Office Seekers.

[BY TELEGRAPH TO THE HERALD. ] RICHMOND, Va., Dec. 3, 1879.

The recent political upheaval in Virginia culmior the liberal party as some now call them. All the persuasion, by the influence of the administration or by purchase, if any was attempted, which I now doubt, failed. Every colored member and all the republicans with the excep-tion of four—two in the House and two in the Senate-voted with the readjusters, giving them their majority of 16 in the House and 8 in the nate, making 24 on joint ballot. In the very beginning, too, the new party proceeded to carry out the programme which was first published in the HERALD on the 11th of November last, as the result of an interview between Colonel William E. Cameron d your correspondent. This policy, as then de fined, guaranteeing the negro his full political the United States, including the repeal of the payment of a capitation tax as a prerequisito for votread in the cancus of the liberals. In furtherance of it they began to-day, in a most harmonious manner, to effect the organization of both branches of the General Assembly by the election of readjusters and their new political allies, the republicans, to the offices. There were eight officials elected, four of whom were republicans, and two of the latter colored at that. The nominations were made in brief speeches, and the votes were cast with the greatest unity and regularity until every office of the Legislature was newly filled. A REBEL HOWL.

The debt payers' wing of the late conservative party was prepared for defeat this morning, but when it came to electing a negro to fill the place of most efficient officer, it was more than they could stomach, and the election of the colored individual to this position created a howl of indignation. The Confederate flag was waved to no purpose. The negro went in, and with expressions of sincere sympathy on the one hand and indignation on the other the poor ex-Confederate limped out. Among the docapitated officials to-day is also a one-armed ex-Confederate. Ever since the war, whenever an office has been vacant, it has only been necessary to put forward an ex-Confederate soldier who had lost a himb in order to secure the position to him. Under the revolution of sentiment which has taken place it now seems as if service on Southern battle fields in the rebeir ranks would in future disquality a man for office. The younger generation of politicians which has grown up since the war is in fact tired of the "war record" cry which has proved so potent in previous elections.

DECAPITATION TO CONTINUE. most efficient officer, it was more than they could

The process of decapitation which commenced today will be resumed on Friday, when the chief officers of the State will be summarily ejected and their
places filled with members of the new political
party. These include the Secretary of the Commonwealth, Treasurer, First and Second Auditor, Superintendent of Public Buildings, Superintendent of
Public Printing, Commissioner of Bailroads and
agriculture, Superintendent of the Penitentisry and
all the county judges. The latter appoint the judges
of slections.

Public Printing, Commissioner of Bailroads and Agriculture, Superintendent of the Penitentiary and all the county judges. The latter appoint the judges of elections.

The record of the republican party on the debt question is peculiar. In 1871 every member of that party in the General Assembly, with one exception, voted solidly for the original funding bill, which provided for the payment of six per cent, with the coupon receivable for taxes. In 1879 the readjusters, through the aid of the republican party and by the votes of its Representatives in the present General Assembly, are opposing the payment of a much smaller rate of interest under the McCulloch settlement. One of the first effects of the victory on the debt question will be the virtual repeal of the McCulloch bill. As the funding under that instrument will soon practically cease the new party will doubtless endeavor to force a new settlement, agreeable to themselves, which the bondholders will be compelied to accept.

accept.

BULLDOZING THE BONDHOLDERS.

Action of this sort would not be tolerated under the ordinary methods of legal procedure, but in a revolution like the present people are prepared for anything. They will pass a three per cent bill, placing all classes of the debt on an equal footing, running forty-five years, and by a new assessment of the property they will reduce the revenues of the State. They will then appropriate the prompt payment or all the other public funds, and, by issuing tax receivable certificates at fity cents on the dollar, intercept all the revenue before it can reach the coupon of the bondholders. In this way the State's creditors will be forced into any settlement the new party may choose to make. Never has the democracy shown a bolder front or a more courageous determination to "face the music" than now.

thement the new party may choose to make. Never has the democracy shown a bolder front or a more courageous determination to "face the music" than now.

TALK OF VICTORS AND VANQUISEED.

At the Exchange Hotel, the headquarters of the late conservative party, are congregated to-night those old time leaders who were wont to lead their forces to victory, but who now have to reorganize after a Waterloo defeat. General John Echols, ex-Speaker Marshall Hanger, Major John W. Dannel and others of equal note admit that they have been "euchred" out of the State offices, but say that they hope to retrieve their position in the Presidential fight. They assert that Mahone and his supporters have gone over bodily to the republicans, and have done it in such a manner that the cause of republicanism in other States must be injured by an alliance with anti-debt payers. Edgar Allan, until lately a leading republican, thinks that the gain to the national republican party upon the absorption of the readjusters is very doubtful. J. B. Stovall, an influential white republican member of the General Assembly, thinks that his party could have secured the United States Senatorship by holding to a separate organization, but says that now they have no alternative but to ally themselves with the readjusters.

A MAHONE "BOOM."

General Mahone is undoubtedly the autocrat of Virginia. His retainers have tasted blood in the division of the State offices and are eager for further spoils. According to sundry persons who pretend to know, they propose, by affiliation with the republicans, to control the federal patronage. With the judiciary, the Legislature and the federal appointments in their hands, they can, if they like, rule Virginia. General Mahone's friends boast that if he gets into the United States Senate he will speedily become a power. "Hurrah!" said a readjuster to-day: "I am for Grant for President and Mahone for Vice President. Grant and Mahone would whip creation. Stranger things have happened, and the adjuster to day as at any prov

Virginia so goes the South is as true to-day as at any provious puriod.

THE GOVERNOR'S MESSAGE.

After the perfection of an organization of the Legislature to-day a joint committee waited on Governor Holliday to inform him of the fact, and he soon thereafter sent in his message. The decument is nearly wholly devoted to a discussion of the public debt. He fully indorses the settlement made during last session, known as the McCulloch bill, and states that notwithstanding all the agitation looking to a repeal of the measure, which had a tendency to check the bringing in of the old bonds, nearly \$8,500,000 of old bonds had aiready been exchanged for new ones. In regard to the merits of the McCulloch bill he says:—"So far as I can gather, the outside world regarded it as fair and reasonable and such as would in no way infringe upon the honor of the State, which was a matter of vital import in any settlement we might make. My views are very clear and desired that the measure research.

way infringe upon the honor of the State, which was a matter of vital import in any settlement we might make. My views are very clear and decided that the money represented in the interest or even the principal of the debt, large as it is, so fo but little import in comparison with the State's credit; and that nothing save inability can justify or excuse its non-payment."

THE REVENUES.

The Governor thinks there is no need of resorting to an increase of taxation to accomplish so grand an object as a fulfilment of the State's obligations and the preservation of her credit, but that with a proper enforcement of the present laws the revenues will meet the requirement of the act and leave a handsome surplus in the Treasury.

Elaborate tabular statements are submitted, showing the disposition of the revenues and the condition of the finances under the operations of the new Funding law, and what that condition would be were it in tull operation and its provisions properly carried out. The Governor urges the economizing of the resources of the State, and that they be made effective for the three great objects to which they are dedicated—the support of the government, the carrying on of the public debt.

THE STATE VOTE.

STATEMENTS OF THE BALLOTS CAST FOR STATE OFFICERS AS RETURNED TO THE SECRETARY

ALBANY, N. Y., Dec. 3, 1879. The following are the footings of the returns of the late election as filed in the office of the Secretary of State for action by the Board of State Canvassers who will meet there on the 12th inst:

| GOVERNOR. | GOVERNOR. | GOVERNOR. | Cornell. | 418,567 | Lewis (Greenb'k). | 20,286 | Robinson. | 375,790 | Mears (Prohib.). | 4,437 | Kelly | 77,566 | Scattering | 4,489 | LIEUTENANT GOVERNOR. | GOVERNOR. | 483,001 | Brunson. | 3,902 | Potter | 435,300 | Brunson. | 3,902 | Potter | 435,013 | Scattering. | 4,829 | Wieting | 23,007 | Hoskins' plurality | 287 | Hoskins' plurality | 287 | GOVERNOR | GOVER 
 Seymour.
 439,641
 Scattering.
 5,351

 Nagle.
 22,684

 The votes given to Hoskins and Potter include all
 defective and imperfect ballots which were plainly designed for either.

CITY POLITICIANS EXCITED OVER THE UNCER-TAINTY AS TO WHO WILL BE DECLARED

I TEUTENANT GOVERNOR-SENATOR PIERCE'S VIEWS-A CUBIOUS STORY. The excitement in political circles over the present

uncertainty as to who will be the next Lieutenant Governor of the State was kept up all day yester day. The views of leading democrats on the situa-tion, as published in the HERALD for two days past, was eagerly canvassed on all sides. The democrats held that it was strictly within the province of the Board of State Canvassers to count the votes according as they believed the returns should be canvassed. sary to go behind the technical record transmitted to them by the election officers in the various counties, many claimed that they possessed all the re-quisite power to do so. On this latter proposition, however, there is a palpable division in the democratic ranks, the more conservative element of the party frankly acknowledging that the canvassers ave no power whatever to go behind the official returns. The republicans appear to have cast off their aspect of affected alleged contemplated action of the State Board to declare Mr. Potter elected. It is said that Senator Conkling has instructed some of his supporters to be vigilant and watchful that all proper measures are taken to secure the final declaration of Mr. Hoskins' election. Some of the party leaders in dif-ferent parts of the State have determined, it is said, Board which will hold its first session on the 12th inst. in the Secretary of State's office in Albany. The legal representatives will be instructed strongly protest against any proposition that may insist that the only proper method for Mr. Potter to pursue if he thinks he is entitled to the office is to sue out a writ of quo warranto and have the ques-tions at issue settled in a court of law.

sue out a writ of quo warranto and have the questions at Issue settled in a court of law.

WHAT SEMATOR PIERCE MAYS.

State Senator Pierce was found by a HERALD reporter yesterday in his office on Broadway. When asked it he thought Mr. Potter had any chance to obtain his seat as Lieutenant Governor the Senator replied, "That is a very broad question, and one extremely difficult to answer officand. I have heard stories that in the late election many ballots were cast bearing the name of C. M. Potter instead of Clarkson N. Potter, as was evidently intended. Now, it is a question in my mind whether the intent of a voter can be taken into consideration by a body such as is the Board of State Canvassers. It does seem to me, however, as if the intention of the voter can only be taken into consideration by the State Canvassers in one contingency. If the boards of local county election inspectors in their returns to the State Board of Canvassers enclose the alleged defective C. M. Potter ballots, why, then, I have no doubt, from a cursory eramination of the law on the subject, that the Board could have full discretion as to whether these votes would be given to Clarkson N. Potter."

as to whether these votes would be given to Clark-son N. Potter."

"How could the Board tell that C. M. Potter meant Clarkson N. Potter?"

"That would be a question for the canvassers to determine themselves in the exercise of their discre-

determine themselves in the exercise of their discretion."
"But it would be only a mere assumption, after all, would it not?"
"Undoubtedly; but it might be a legal assumption, and, as such, would no doubt have the effect of giving Mr. Potter his seat as Lieutenant Governor of the State."
"Then, in your judgment, the Board can give Mr. Potter all these aileged defective ballots provided they have been returned to the canvassers by local election officers in the different counties?"
"Exactly; that is my position. If, as I have said, the Board of Saze Canvassers is in a position to have ocular demonstration of the fact that many persons in the State voted for C. M. Potter, believing that they were supporting the democratic nominee, then they can give the latter credit for all these ballots. Of course no one can tell definitely whether Mr. Potter would be elected even with all these votes counted for him."

"What powers are possessed by the Board in case the hallots have not been been they are the

"What powers are possessed by the Board in case the barlots have not been placed before them for in

the ballots have not been placed before them for inspection?"

"I think, in that event, the only remedy that would be possessed by Mr. Potter would be an appeal to the courts."

"Could the canvassers take no action in his favor?"

"I can't see that they could without they went behind the returns. They would have no evidence before them that "C. M. Potter" was intended tor "C. N. Potter." On the other hand, if they had all these ballots before them, they could determine very easily whether the voters who held these defective builds intended to support Mr. Clarkson N. Potter. At any rate, they would have the power to count the ballots for him, and thus help him to overcome the apparent majority of the republican candidate."

"What resuedy, then, could Mr. Potter have?"

"He could she out a writ of que warrante and have the subject brought up for review at as early a day as possible."

as possible."
"Would the action of the canvassers come up for

"Would the action of the canvassers come up for review?"

"Most assuredly. The whole subject could be investigated, and if Mr. Potter was entitled to his seat he would get it. Everything pertinent to the issue in the least degree would come before the court, and, in short, a general investigation would be held."

A centoric stork.

It was said yesterday by some very prominent members of the democratic party, now in this city, that the State Board of Canvassers would make no unusual exertions to secure Mr. Potter's election.

"All the members of the Board," remarked one gentleman, "with the exception of young Mr. Seymour, were defeated at the last election. Beach, Mackin, Olcott and Schoonmaker were all retired to private life by the people of the State, and these gentlemen will not be disposed to work very hard to insure the election of Mr. Potter on this account. His election would bring more prominently forward the unpopularity of the other men on the ticket with the exception of Seymour. Besides, Mr. Potter would become a very prominent man in the politics of the nation, and it is rumored that Mr. Tilden does not desire to be overshadowed by that gentleman. The present State officers have not worked in harmony since the election. Some of them have become, in a measure, jealous of the success of Mr. Seymour, and it is hardly likely, as I said at first, that Mr. Potter will be given much of a chance by the State Canvassers."

## A TURBULENT ELECTION

IBY TELEGRAPH TO THE HERALD, 1

Augusta, Ga., Dec. 3, 1879. The municipal election that took place here to-day vas the most exciting contest that has occurred in many years. There were no nominations. R. H. May and Charles Estes, the opposing candidates for Mayor, were both democrats. The vote was the largest ever registered, and as the negroes were nearly equal in strength to the whites, there was a fierce struggle in every ward to obtain their votes. Early this morning barbecued breakfasts were provided for them at various places, and when they had finished eating they were decorated with badges and marched in procession to the polls, preceded by bands of music. In the Fourth ward, where the largest vote was polled and where the most turbulent spirits reside, there were a great many difficulties between white men and negroes, the supporters of different candidates, and about twelve o'clock a riot, which at one time threatened to assume formidable proportions. An Estes man named Spinks (white), was knocked down, and when he rose he commenced firing into the crowd and the disorder became general. A May negro named Walker was shot in the neck and it is believed the wound will prove fatal. Another May negro, Freeman Watts, had a knile plunged into his eye and was dangerously injured. Several men were knocked down with sticks and cluss, but the police managed to restore order and to arrest the men charged with shooting and stabbing.

May was elected by over six hundred majority. Bonfires are blazing on the streets to-night. A Chinaman voted for Estes to-day, and one of the transparencies to-night displays the legend, "No Chinese labor wanted." It is carried by negroes.

SENATOR KELLOGG'S ELECTION.

CONCLUSION OF THE EVIDENCE BEFORE THE SUB-COMMITTEE-HARD SWEARING-AFFIDA-VIT MAKING FOR MONEY.

NEW ORLEANS, La., Dec. 3, 1879. The Senate Sub-Committee on the Spofford-Ker logg case to-day received a telegram from the President of the Western Union Telegraph Company concorning the production of despatches, which was read and placed on record. President Green says the messages will ject to the lawful demands of the committee the company reserving the right to interpose such legal opposition to their production as existed at the time the messages were called for. A number of witnesses were introduced to impeach or sustain the character of previous witnesses. Bernard Williams was recalled at his own request to vindicate his character from aspersions cast upon it by other witnesses. J. R. G. Pitkin testified:—The statement made by W. B. Phillips that I knew of his treachery to Spofford and sent a memorandum to Kellogy about what Phillips was doing is untrue.

AFFIDAVITS TO ORDER. William Ward, colored, formerly of Grant parish, testified:—When the Stenger committee was here Phillips and myself were engaged in collecting evidence, but being unsuccessful, gave it up: this year we again commenced our work at an interview with Judge Spofford; he said Kellogg had received his seat by bribery, and asked if we could get evidence to substantiate that; be told us he was not then prepared to pay money, but when he got his seas \$20,000 of back pay due him would be distributed among the boys; we wrote a letter for his protection, which would show that no money was expected; the letter was written by Judge Philips, with Judge Spofford's knowledge, and was signed by both Philips and myself; I got most of the affidavit myself; saw the men; told them there was money in it; that it had all been gotten up to make money; I told Jones I was authorized to say there was \$20,000 to be divided and that it would amount to \$3,000 each. Witness gave at length the result of his efforts at manufacturing affidavits, by the aid of Mr. Cavanac and others, and said he worked with democrats to stop the killing of negroes.

Adolphe Lennee and soveral others testified to the bad character of W. B. Phillips and William Ward in Grant parish.

E. H. Flower, colored, testified that he was engaged with Ward and Phillips getting evidence in the Kellogg-Spofford contest; he first took Tom Murray to Mr. Cavanac's office, where he made an affidavit; also procured Watson, who likewise made an affidavit; disco procured Watson, who likewise made an affidavit, ward and Phillips told witness le (Spofford would guarantee him as much as a per diem mieage and the pay of a witness fi he was not subpenaed, that witness should not be leit; after Spoffor to tourned watson, who likewise made an affidavit, was procured Watson, who likewise made an affidavit, was procured to die with Ward and Phillips; Ward frequently complained that he was not getting sufficient means from Spofford to onable him to pursue the work of getting up testimony.

Major Frant McCilom testified to drawing up a first pay to the stranger of the Legislature from the Spofford the came in the of the mass of the Leg evidence, but being unsuccessful, gave it up; this year we again commenced our work at an interview with Judge Spofford; he said Kellogg had received

BEFORE THE POLICE BOARD

ONCLUSION OF CAPTAIN WILLIAMS' TRIAL FOR CLUBBING CHARLES W. SMITH-HE DESCRIBES HIS OWN PART IN THE OCCURRENCE-DE-CISION RESERVED.

clubbing of Smith at Madison Square was con-cluded yesterday before the Board of Police Comnissioners. Captain Williams testified in his own behalf. The day previous to the parade he had consulted with Inspector Dilks as to the number of men to preserve order on that occasion; he disposed of 190 officers along Fifth avenue and Madison square; by right he should have had between 450 and 500 men under his command on the day in question; the troops were expected at half-past three P. M., but did not arrive until one hour later; "When the Governor got out of the coach," said Captain Williams, "and passed to the reviewing stand square; I saw that the coach would be in the way of the troops and I directed it to be removed toward Twenty-third street; there were a great number of people there, both in the street and on the sidewalk; we cleared the street, but they broke through a number of times on account of the delay of the procession; I was on the east side of the avenue when the procession advanced; I tried to put the people back; the people behind would not go back; I ordered policemen to go to the back line and put the crowd back; I have no recollection of Mr. Smith until he was struck; I did not strike him; I told Officer Fleming when he struck Smith that it was unwarranted and uncalled for; I shoved people back, but did not strike any one; I reported the clubbing to Inspector Dilks and asked to have Fleming placed under arrest; he said to wait until after the procession, and if the man was still insensible to take Fleming into custody; I sent an officer for a glass of water and another for a carriage to take the injured man to hospital; at that moment as t. Vincent Hospital ambulance came along and took Mr. Smith to the New York Hospital; I asked Smith subsequently in the hospital to make a charge against Officer Fleming, and he said he would not make a charge against any one, as he was not much hurt."

THE CASE IN GENERAL SESSIONS.

Mr. Bliss, counsel for the defendant, asked his people there, both in the street and on the sidewalk:

make a charge against any one, as he was not much hurt."

THE CASE IN GENERAL SESSIONS.

Mr. Bliss, counsel for the defendant, asked his client if the case had not been tried and dismissed in the Court of General Sessions.

Mr. MacLean said that the question was irrelevant Mr. Biss thought the question material. Captain Williams answered in the affirmative.

Mr. MacLean said that the Board could not be governed by the action of the Court of General Sessions. The Board refused to let the question go on record.

Mr. Bliss took an exception to the ruling.

Mr. Donlon, a witness at the Court of General Sessions, had tostified there that Captain Williams had struck Mr. Smith five blows, whereas in his previous evidence before the Police Commissioners he had, Mr. Bliss said, stated that only three blows were received by Smith at the hands of Captain Williams. Captain Williams stated that Donlon admitted at the Court of General Sessions that his evidence before the Board was false.

Mr. MacLean examined the record of the testimony of the various witnesses and asked Captain Williams if their evidence was the same in the Court of General Sessions, Captain Williams replied that none of the witnesses told consistent stories.

"Wasn't it true, Captain," asked Mr. Bliss, "that

pited that none of the witnesses told consistent stories.

"Wasn't it true, Captain," asked Mr. Bliss, "that with the exception of Mr. Phillips, every man who appeared here for the prosecution attended at the Court of General Sessions?"

"I think so: except Dr. Owens."

In answer to Commissioner French, Captain Williams illustrated, with the end of the gavel, which he lightly placed on the stenographer's shoulder, how he tapped Smith and ordered him back.

Mr. Bliss remarked that he would request, in conclusion, that the Board dispose of the case to-day, Mr. MacLoan said that that would be impossible, as he had not read all the testimony. Official decision was therefore reserved.

## DEPARTMENT OF PARKS

At the meeting of the Park Commissioners, held calling upon them to prevent any further elevated railway obstructions in Battery Park, was filed without comment. A letter from the Board of Estimate and Apportionment notifying the commission of an appropriation of \$5,000 to errect a suspension bridge over the Hariem River above High Bridge was received, as was also a letter from R. Cornell White, asking permission to erect an observatory in Central Park at his own expense and promising to pay the city a bonus for the privilege. Mr. White's application was referred to the superintending architect.